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United Nations

Committee for Development Policy

Report on the twentieth session (12–16 March 2018)

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Note

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Summary

The present report contains the main findings and recommendations of the Committee for Development Policy at its twentieth session. The Committee addressed the following items: leaving no one behind, as its contribution to the themes of the Economic and Social Council high-level segment, the integration segment and the high-level political forum on sustainable development; the triennial review of the category of least developed countries; the monitoring of countries that are graduating or have graduated from the list of least developed countries; improved assistance for graduating least developed countries; and the voluntary national reviews of the implementation of the 2030 Agenda for Sustainable Development.

The Committee for Development Policy addressed multiple dimensions of the pledge to leave no one behind, contained in the 2030 Agenda for Sustainable Development.

Current trends identified by the Committee do not point to a degree or speed of advance compatible with the time frame of the 2030 Agenda in some of the fundamental elements that are key to leaving no one behind, including the trends in poverty (particularly in rural areas and low-income countries in sub-Saharan Africa), education, housing and others. Demographic imbalances, including rapid population growth in certain countries, particularly low-income countries; declining fertility rates and ageing populations in others; and the large share of young people in internal and international migration generate additional challenges to meeting the pledge to leave no one behind. Extreme inequality persists within countries and cities as well as among countries. In many different contexts, people are being pushed further behind by a variety of forces, including globalization, technological developments, gender discrimination, climate change and other forms of environmental degradation that lead to loss of access to land, livelihoods and jobs. In many cases, policies, legislation and investments fail to take into account negative impacts on other sectors, groups of people and countries, and future generations. Many countries, in particular the least developed countries, still lack the productive capacity necessary to set them on a path towards sustainable development. Economic growth does not necessarily lead to the reduction of inequality, poverty and deprivation, nor to the creation of decent jobs. Many economies have undergone a process of re-primarization in recent years, rather than one of structural transformation towards higher value-added sectors.

The experiences of certain countries show that it is possible to make significant advances towards leaving no one behind in relatively short periods of time, but a generalized shift towards development that leaves no one behind requires the transformation of deeply rooted systems — economic and political systems, governance structures and business models — that are often based on unequal distributions of wealth and of decision-making power. It is not enough to address inequality by focusing on those "left behind" at the bottom. It is also necessary to address the concentration of wealth, income and decision-making power at the top and break the link between economic and social exclusion and decision-making power.

The pledge to leave no one behind is seldom disputed in principle, but the complexity of its practical implementation is often insufficiently acknowledged. Trade-offs in the path towards the achievement of leaving no one behind must be understood and addressed. Furthermore, the policy choices most effective in leaving no one behind may not be those targeting specific groups but a combination of macroeconomic and fiscal policies conducive to equitable, sustainable growth; productive capacity development; mechanisms that empower and actively encourage the participation of all in relevant decision-making processes and ensure the respect,

protection and fulfilment of human rights; and transformative social policies that combine universal and targeted actions, as well as pre-market, in-market, and post-market redistribution. It is important to take into account, in the implementation of technological innovation policies, that while technology has great potential to advance inclusive development it can also be at the root of national and international exclusion and inequality.

To leave no country behind, international action must be coherent and support, rather than hinder, countries' capacity to enact and finance their development strategies, and enable, rather than block, channels through which global wealth can be redistributed. Global rules need to promote an equitable distribution of income and development opportunities at the international level, taking effective action on international cooperation on tax, cross-border financial flows, migration and remittances, debt relief and trade; and shifting development cooperation to a more comprehensive and representative framework that integrates new and traditional providers, in which governance is representative of both donors and recipients. Least developed countries should be prioritized in all the above-mentioned areas.

The Committee conducted a triennial review of the list of least developed countries. It found that Bhutan, São Tomé and Príncipe and Solomon Islands were eligible for graduation for the second consecutive time and recommended them for graduation from the list. As decided at the 2015 triennial review, the Committee considered Kiribati again and found it eligible for graduation for the third consecutive time. It recommended the country for graduation and further recommended the creation of a category of countries facing extreme vulnerability to climate change and other environmental shocks. Kiribati, Tuvalu and similarly vulnerable countries within that category should receive support targeting those vulnerabilities. Nepal and Timor-Leste were found eligible for the second consecutive time, but were not recommended for graduation. The Committee will consider Nepal and Timor-Leste again at the next triennial review, in 2021. At that time, it will also consider Bangladesh, the Lao People's Democratic Republic and Myanmar, which were found eligible for graduation for the first time at the 2018 triennial review.

In its monitoring of countries that are graduating and have graduated from the least developed country category, the Committee reviewed the development progress of Equatorial Guinea, Maldives and Samoa, which have graduated, and of Angola and Vanuatu, which are graduating. Maldives, Samoa and Vanuatu have continued to achieve steady development progress, while they remain vulnerable to economic and environmental shocks. The Committee noted the imbalance between per capita income and the level of human assets in Equatorial Guinea and, despite some progress, in Angola. Both countries remain heavily dependent on the oil sector, which is currently generating major macroeconomic challenges.

The Committee found that there is an opportunity for the international development community to develop a package of incentives aimed at furthering the development progress of countries graduating from the least developed country category. The Committee initiated discussions on how it could engage and make proposals for the design and implementation of such a package, which could include analytical inputs, advisory services and new forms of concrete development cooperation aimed at furthering their development progress.

Many countries preparing for graduation still face challenges in fully understanding the type of international support measures from which they benefit and the policy implications of the possible loss of such support after graduation. To that end, the Committee secretariat has developed a web-based platform, known as Gradjet, which provides information and analysis on graduation and makes tailored suggestions

as to the activities that Governments might wish to undertake before, during and after graduation.

Finally, the Committee analysed the voluntary national reviews of the implementation of the 2030 Agenda presented at the high-level political forum on sustainable development in 2017. Its pilot analysis covered the treatment of critical cross-cutting themes in the reviews, such as leaving no one behind and addressing trade-offs related to the implementation of the 2030 Agenda through integrated policies. Whereas the principle of leaving no one behind is recognized in almost all voluntary national reviews, the effectiveness of the reviews in sharing experiences in implementation would benefit from more comprehensive discussions of country strategies and policies as well as from additional information on how the most marginalized and vulnerable groups can be addressed. Given that finding solutions for trade-offs is very important, but inherently difficult, more attention in the reviews to describing concrete trade-offs and policy mechanisms for addressing them could significantly increase their value.

[18 April 2018]

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Chapter I
Matters calling for action by the Economic and Social Council or brought to its attention

A. Matters calling for action by the Council

Triennial review of the least developed countries category

1. The Committee for Development Policy recommends to the Economic and Social Council that Bhutan, São Tomé and Príncipe and Solomon Islands graduate from the list of least developed countries. The Committee finds reasonable the request by Bhutan for aligning the effective graduation date with the ending of the country's twelfth national development plan in 2023. It also notes that São Tomé and Príncipe will benefit from a requested extended transition period if it embarks on the transition process and engages its trading and development partners.

2. The Committee recommends that Kiribati graduate from the least developed country category, while acknowledging the country's extreme environmental vulnerability. Therefore, the Committee further recommends that the Council create a category of countries facing extreme vulnerability to climate change and other environmental shocks. Kiribati, Tuvalu and similarly extremely vulnerable countries to be placed in that category should receive support targeting those vulnerabilities. The Committee stands ready to support the Council in the creation of such a category.

3. In line with General Assembly resolutions 59/209 and 67/221, the Committee advises the Council to reiterate the importance for development partners to support graduating countries with concrete measures to facilitate a smooth transition.

B. Matters brought to the attention of the Council

Leaving no one behind

4. The Committee recommends that the United Nations System entities and Member states embed the concept of leaving no one behind in their strategic frameworks and translate that concept into action, not only by targeting specific groups that are excluded from decision-making power and the benefits of development, but also by safeguarding the interests of those groups by not pushing them further behind through measures that deprive them of their rights and livelihoods, and by the following:

(a) Ensuring that macroeconomic and fiscal instruments work towards equitable, sustainable growth, job creation and the reduction of poverty and inequalities, including extreme concentration of wealth;

(b) Implementing mechanisms that empower and actively encourage the participation of all in relevant decision-making processes, including in environmental matters, and ensure the respect, protection and fulfilment of human rights;

(c) Building productive capacity through integrated policies, including industrial policies, rural development policies and the development of human assets in support of inclusive development;

(d) Taking into account, in the implementation of technological innovation policies, that while technology has great potential to advance inclusive development it can also be at the root of national and international exclusion and inequality;

(e) Implementing transformative social policies that combine basic universal frameworks with targeted actions, as well as pre-market, in-market and post-market redistribution;

(f) Taking effective action on international cooperation on tax, cross-border financial flows, migration and remittances, debt relief and trade;

(g) Shifting development cooperation to a more comprehensive and representative framework integrating new and traditional providers, in which governance is representative of both donors and recipients;

(h) Prioritizing support to least developed countries in all the above-mentioned areas.

5. The Committee reiterates the recommendations it made in 2016[1] for the Council to call upon the Governments of least developed countries to design and implement strategies that aim to accelerate economic growth and promote dynamic transformation of their economies, pointing out the need to address potential trade-offs and harness synergies between increasing productive capacity and other sustainable development objectives; and to request the international community to strengthen support measures in favour of least developed countries.

6. The Committee encourages Governments and other stakeholders taking part in the voluntary national reviews to share best practices in the domain of leaving no one behind and approaches to identifying multisectoral, distributional and intertemporal trade-offs. It also encourages Governments and other stakeholders to consider the impact of their policies on global inequality.

Triennial review of the least developed countries category

7. In its triennial review of the list of least developed countries, the Committee found that Bangladesh, the Lao People's Democratic Republic and Myanmar fulfilled the criteria for graduation for the first time. They will be considered for graduation at the next triennial review in 2021, with a view to graduating in 2024. For the next review, the Committee will emphasize the importance of the inclusion of all minority groups living in Myanmar in the data used for the least developed country criteria. The Committee requests the United Nations Conference on Trade and Development (UNCTAD) to prepare vulnerability profiles and the Department of Economic and Social Affairs of the United Nations Secretariat to prepare impact assessments on those countries. The Committee encourages efforts by the countries and the international community to start planning for graduation.

8. The Committee found that Nepal and Timor-Leste fulfilled the criteria for graduation for the second consecutive time. However, owing to concerns about the sustainability of their development progress, the Committee deferred its decision on recommendations for the graduation of these countries to the 2021 triennial review.

Monitoring of countries that are graduating and have graduated from the list of least developed countries

9. The Committee reviewed the development progress of Angola and Vanuatu, scheduled for graduation in February 2021 and December 2020, respectively.

10. It found that Angola continued to experience an economic slowdown as a result of low international oil prices and reduced oil production. Despite the gradual improvement in human assets, the imbalance between the relatively high level of per capita income and the low level of human assets remains a serious concern to which

[1] See E/2016/33, chap. I, para. 1 (a) and (b).

the Government of Angola should give priority attention during the preparation of its smooth transition strategy, in addition to addressing economic vulnerability through diversification.

11. The Committee noted slow but sustained improvements in income and human assets in Vanuatu. There was no worsening in economic vulnerability, but Vanuatu remains highly vulnerable to environmental shocks. The Committee recommends that the Government of Vanuatu prepare a smooth transition strategy in consultation with its main trading and development partners.

12. The Committee also reviewed the development progress of Equatorial Guinea, Maldives and Samoa, which have already graduated from the least developed country category.

13. The income of Equatorial Guinea continued to decline owing to reduced oil production, depletion of the existing oil reserves and limited investment. The country's human assets index score remains very low. The Committee recommends that the Government implement a smooth transition strategy, channelling resources to investment in human capital and economic diversification.

14. The Committee found that Maldives continued to make progress in achieving economic growth and maintaining a high level of human assets, while remaining highly environmentally vulnerable. The Committee noted that Maldives was able to manage the impact of graduation from the least developed country category.

15. The Committee noted with appreciation the report on the implementation of the smooth transition strategy by the Government of Samoa. The country continued to achieve slow but steady development progress despite its high vulnerability to economic and environmental shocks. The Committee noted that the experiences of Samoa in graduating from the least developed country category will be valuable for other graduating countries, in particular for other Pacific countries. The Committee encourages the sharing of experiences between countries, with the support of the international community.

16. The Committee recalled General Assembly resolution 67/221 and reiterated the importance of the participation of graduating and graduated countries in the monitoring process. The Committee noted with regret that no country except Samoa submitted its report on the preparation and implementation of the transition strategy.

Towards improved assistance for graduating least developed countries

17. The Committee welcomed the increased attention to the need to support a smooth transition of countries graduating from the least developed country category, but found that existing measures simply delay the loss of least developed country-specific support. The identification and implementation of an appropriate package of incentives for graduating and recently graduated countries could mitigate the impacts of graduation and further the development progress of graduating countries. In that regard, the Committee decided to undertake further research and analysis on the matter.

18. The Committee emphasizes that the least developed countries need improved access to information and analysis on graduation from the least developed country category, and welcomed the web-based graduation platform, known as Gradjet (www.gradjet.org), which has been developed by the Committee secretariat. The tool provides information, analysis, suggested activities and contact points on graduation specific to each potentially graduating country. The Committee recommends that least developed countries use the platform before, during and after graduation. The Committee also recommends that the inter-agency task force on graduation of least developed countries adopt the platform, and that United Nations, multilateral and

bilateral development partners contribute to the platform with relevant information and analysis related to least developed country graduation.

Voluntary national reviews of implementation of the 2030 Agenda for Sustainable Development

19. The Committee decided that it would undertake annually an analysis of the voluntary national reviews presented at the high-level political forum on sustainable development, with the purpose of supporting Governments and stakeholders in improving the effectiveness of the reviews as an instrument to advance implementation of the 2030 Agenda.

20. The analysis will focus on the ways key principles and selected cross-cutting issues are addressed in the voluntary national reviews, highlighting best practices and identifying gaps. It will bring value added by providing technical, transparent and objective analysis of the reviews. It will also complement the Committee's substantive work on sustainable development issues as well as the work undertaken by the Secretariat and other organizations, including civil society, on monitoring the implementation of Agenda 2030 and on synthesizing reports on the reviews.

21. The Committee's analysis will build on and further refine the approach piloted in 2017, as described in chapter VI. Overall, a more substantive discussion of policy strategies and challenges in the voluntary national reviews would help in fulfilling their functions of sharing best practices and advancing implementation of the 2030 Agenda. For example, while almost all the reviews being presented in 2017 recognize the principle of leaving no one behind, only 14 countries reported specifically on strategies for putting the principle into practice and the policy dilemmas involved. While most reports did focus on groups left behind, most identified only a very few groups. A broad conceptualization that includes ethnic and religious minorities and the poorest of the poor would be desirable. Countries in general recognize the integrated nature of the 2030 Agenda, and almost all have established coordination mechanisms. Only nine, however, reported on specific trade-offs in policy choices and how they might be addressed.

Chapter II
Leaving no one behind

22. One of the pillars of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals, and one which represents a critical improvement over the Millennium Development Goals,[2] is the pledge to leave no one behind. As part of its contribution to the 2018 theme of the Council, "From global to local: supporting sustainable and resilient societies in urban and rural communities", the Committee addressed multiple dimensions of the pledge, which it considers central to any discussion on sustainability and resilience.

Generalized achievement of key goals by 2030 not indicated

23. Current trends identified by the Committee do not point to a degree or speed of advance compatible with the time frame of the 2030 Agenda in some of the fundamental elements that are key to leaving no one behind. Even under optimistic assumptions about economic growth and other relevant variables, the goal of eliminating poverty, a central element of leaving no one behind, is unlikely to be fulfilled. Estimates indicate that numerous countries are not expected to meet Goal 1 of the Sustainable Development Goals. The outlook is particularly challenging for the countries in sub-Saharan Africa where both income levels and growth rates are low and where food price shocks and high fertility rates impose additional pressures. In addition, the world population living in slums is on the rise. In several countries, and despite advances in recent decades, over half the working-age population has received only a primary education or has no formal education. Demographic imbalances in both poor and rich countries generate additional challenges to meet social, environmental and economic goals. Poverty in rural areas remains high, and despite the recognition of the importance of agricultural and rural development, many countries are not taking advantage of the opportunities of inclusive rural development. In a significant share of the least developed countries, economic vulnerability has risen rather than declined in recent years.

24. Not only are people and countries being left behind, but in many different contexts they are being pushed further behind by a variety of forces, including globalization, technological developments, climate change and other forms of environmental degradation that all lead to loss of access to land, livelihoods and jobs. In many cases, policies, legislation and investments directed at meeting certain development goals fail to take into account negative impacts on other sectors, groups of people and countries as well as on future generations.

25. Many countries, in particular least developed countries, still lack the productive capacity necessary to bring them on a path towards sustainable development.[3] Economic growth does not necessarily lead to a reduction of inequality, poverty and deprivation, nor to the creation of decent jobs. Many economies have undergone a process of re-primarization in recent years, rather than one of structural transformation towards higher value-added sectors.

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[2] For the Committee's analysis of the Millennium Development Goals, see Committee for Development Policy, *The United Nations Development Strategy Beyond 2015* (United Nations publication, Sales No. E.12.II.A.3). Available from http://www.un.org/en/development/desa/policy/cdp/cdp_publications/2012cdppolicynote.pdf.

[3] See Committee for Development Policy, *Expanding Productive Capacity: Lessons Learned from Graduating Least Developed Countries* (United Nations publication, Sales No. E.18.II.C.3). Available from https://www.un.org/development/desa/dpad/wp-content/uploads/sites/45/publication/2017-cdp-policy.pdf.

Inequality: at the heart of resistance to change

26. Despite the discouraging trends, the experiences of certain countries with industrial development, the improvement of education levels, reproductive health, and the reduction of inequalities show that it is possible to make significant advances in relatively short periods of time. There are also positive experiences in avoiding people being pushed behind, such as programmes addressing the impacts of technological and industrial changes on employment through public-private partnerships.

27. Nevertheless, leaving no one behind requires making such experiences the rule rather than the exception, which in turn requires the transformation of deeply rooted systems — economic and political systems, governance structures and business models at all levels, from local to global — that are often based on unequal distributions of wealth and decision-making power.

28. Extreme inequality persists in multiple dimensions within countries and between countries and it often translates into inequality in decision-making. Segments of the population that are typically excluded from meaningful participation in decision-making — those already left behind in material well-being, education, health and other factors, those that are geographically isolated and future generations — are unlikely to see their interests safeguarded in policy and investment decisions, as is the case for countries that are marginalized in international decision-making structures.

29. Where changes represent a threat or perceived threat to the established interests of the most influential groups, there is likely to be resistance. Thus, it is not enough to address inequality by focusing on those "left behind" at the bottom. It is also necessary to address the concentration of wealth, income and decision-making power at the top.

30. Resistance to change is all the more likely in highly unequal societies, where the most influential groups are able to protect themselves through institutional capture and private solutions, from the costs and risks associated with inaction. For example, to the extent that those with greater economic and political power can exclude themselves from the costs of environmental degradation while reaping the benefits, there is no incentive to fundamentally change unsustainable consumption and production practices. The concentration of toxic waste disposal sites in poor areas; the illegal transboundary shipment of hazardous wastes; and the fact that the burden of climate change falls disproportionately on those countries that have historically contributed the least to the problem and have the least resilience are all examples of the dissociation between costs and benefits that is possible as a result of inequality. Similarly, there is little incentive to allocate resources to investments in building the resilience of low-income communities to extreme weather events if the most influential groups have access to high-quality and safe housing infrastructure in the less vulnerable areas of cities and the poor have no voice in the determination of resource allocation. While political and physical barriers can be erected between poor and rich people and countries, incentives for the latter to meaningfully support the former are scarce. Reactions to migratory flows towards rich countries, for instance, have leaned towards the further strengthening of barriers rather than to a concerted effort to address their root causes.

31. To leave no one behind, it is not enough to address the problems of those at the bottom; it is also necessary to address extreme intra- and international inequalities and the concentration of income, wealth and political power. It requires breaking the link between economic and social exclusion and decision-making power, including by ensuring the respect, protection and fulfilment of human rights. Institutions need to be reoriented so that policy is driven from the bottom up by the needs of those who

are deprived and disadvantaged. Governments need not only to remove barriers to political and civic participation but also to actively ensure that they are accountable to all citizens both through formal processes — such as free and fair elections that are not captured by economic interests — and through other accountability mechanisms such as a free press, access to information, meaningful multi-stakeholder participation instances at all levels of policymaking and access to justice.

The need to consider trade-offs, distributional effects and short- and long-term consequences

32. The pledge to leave no one behind is seldom disputed in principle, but the complexity of its practical implementation is often insufficiently acknowledged. While in the long run many goals and concepts contained in the 2030 Agenda converge, trade-offs in the path towards their achievement must be understood and addressed.

33. The pledge to leave no one behind is grounded in strong philosophical and economic arguments. The policy choices most effective in leaving no one behind are not necessarily those routinely associated with that goal. The best results may come not from targeting specific groups but from macroeconomic and fiscal policies and from the establishment of universal programmes that do not express any explicit priority towards any particular group, such as effectively universal (as opposed to stratified) social protection, public schools, public health care, universal childcare and elder care, with targeted policies playing only a subsidiary role. Policies for poverty eradication that focus on the poverty headcount as opposed, for example, to the poverty gap can potentially favour those already just below the poverty line to the detriment of those worse off.

International action to enable global wealth redistribution and support countries' capacity to enact and finance their development strategies

34. To leave no country behind and ensure sustainability and resilience, international action must be coherent. It should support rather than hinder countries' capacity to enact and finance their development strategies, and enable rather than block channels through which global wealth can be redistributed. If the pledge to leave no one behind is to be made effective, global rules need to promote a fair distribution of income and development opportunities at the international level, so as to ensure that countries have the capacities and resources required for implementing their strategies. Necessary, though by no means sufficient, conditions are that countries have the ability to build sound, efficient and redistributive tax systems and the policy space to define and implement their own social and economic policies in accordance with social preferences and the priorities of their populations. The insufficiency of tax cooperation at the international level, unregulated global finance, unfair trade rules, intellectual property rights regimes that are skewed against the interests of the poor and the absence of a mechanism for an orderly, timely and fair procedure for sovereign debt crisis resolution currently stand in the way of that ability.

35. The deep inequalities that persist among countries are not sustainable. Given the extremely limited fiscal capacity in the poorest countries, it is not enough to rely on measures that will merely remove obstacles to domestic action. In the absence of convergence in global incomes, the international community must take full advantage of all channels that enable income and wealth to flow to the poorest countries in a way that benefits all. They include trading regimes based on fair and equitable terms particularly for the poorest countries; the harnessing rather than the obstruction of the benefits of migratory flows, remittances and diaspora engagement; and the prevention of illicit financial flows, including those associated with natural resource exploitation.

36. While official development assistance (ODA) is crucial in the path towards leaving no country behind and donors must fulfil their commitments in this field, development cooperation needs to shift to a more comprehensive and representative framework. Development cooperation should be an inclusive system that belongs to all countries (new and traditional providers, recipients and countries that are both) and that incentivizes collective action towards ensuring that no one is left behind. Beyond the important goal of fighting poverty, development cooperation policies should also contribute to guaranteeing minimum social standards for all people, reducing international inequality and providing international public goods.[4]

37. Finally, there needs to be coherence between development cooperation and other policies with international impact. Development cooperation nominally directed at sustainability will be ineffective if climate change continues to threaten countries' and peoples' livelihoods, food security, economies, and lives; if limits to countries' policy space constrain their capacity to work towards productive development; and if inadequate regulation of cross-border financial flows continues to drain their economies. Development cooperation efforts to address leaving no one behind need to be conceived as overall strategies, on the basis of country needs, rather than narrowly targeted and isolated interventions.

[4] See also Committee for Development Policy, *Global Governance and Global Rules for Development in the Post-2015 Era* (United Nations publication, Sales No. E.14.II.A.1).

Chapter III
2018 triennial review of the list of least developed countries

A. Introduction

38. The identification of least developed countries — defined as low-income countries suffering from severe structural impediments to sustainable development — is based on three criteria: (a) per capita gross national income (GNI), as an indicator of income-generating capacity; (b) the human assets index as an indicator of human assets; and (c) the economic vulnerability index as an indicator of structural vulnerability to exogenous economic and environmental shocks.

39. Graduation from least developed country status occurs according to procedures specified in General Assembly resolution 59/209 and the guidelines adopted by the Committee for Development Policy in 2007 and 2008 and endorsed by the Economic and Social Council.

40. For a country to be included in the category, all three identification criteria have to be satisfied at specific threshold values. Eligibility for graduation requires a country to fail to meet two, rather than only one, of the three criteria, while thresholds for graduation are established at higher levels than those for inclusion. However, a country with a GNI per capita sustainably above twice the normal graduation threshold may be eligible even if it does not meet the graduation threshold for either of the two other criteria. To be recommended for graduation, a country has to be found eligible at two successive triennial reviews. While inclusion becomes effective immediately, graduation takes place only after a preparatory period of normally three years, to give the country time to prepare, with the support of its development and trading partners, for a smooth transition from the category.

41. The criteria for identifying least developed countries were confirmed by the Committee in 2017. In preparation for the work of the Committee, a preliminary review of the list of countries was conducted by an expert group in February 2018 when participants also consulted with representatives of six countries concerning their views on their graduation prospects.

B. Criteria for least developed countries

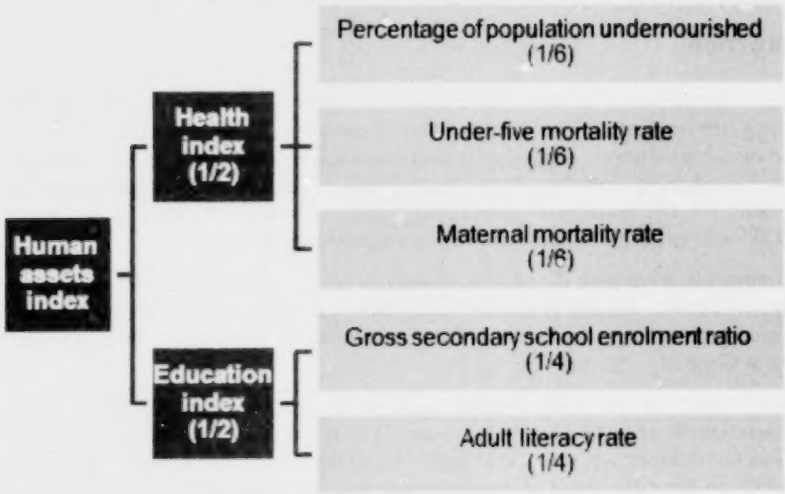
1. Gross national income per capita

42. The GNI per capita figure used for the triennial review is a three-year annual average. For the 2018 review, averages for the period 2014–2016 were used. National currencies are converted into United States dollars using the World Bank Atlas method, which uses three-year averages of market exchange rates (adjusted for relative inflation between a country and major economies) to reduce the impact of exchange rate volatility.

2. Human assets index

43. The human assets index includes indicators related to a country's status in the areas of health and education. The index currently consists of the following five indicators, with the numbers in brackets denoting the weight of each component in the overall index (see figure I).

Figure I
Composition of the human assets index

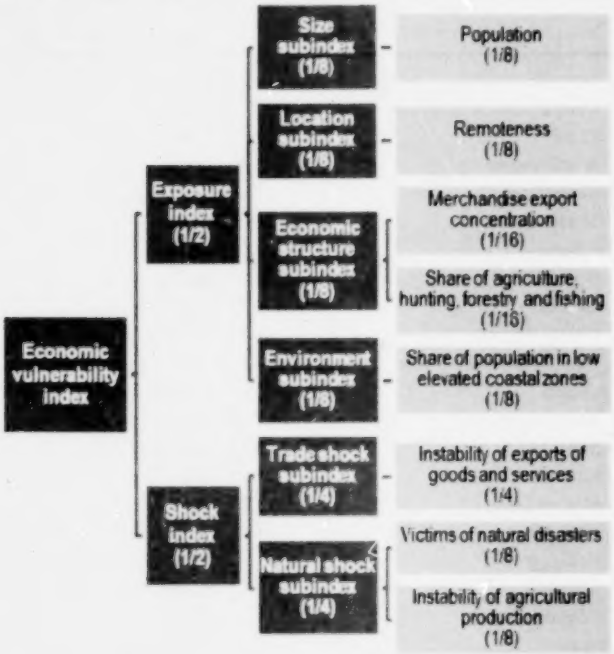

Human assets index
Health index (1/2)
Education index (1/2)
Percentage of population undernourished (1/6)
Under-five mortality rate (1/6)
Maternal mortality rate (1/6)
Gross secondary school enrolment ratio (1/4)
Adult literacy rate (1/4)

44. The original indicator values are converted into indices ranging from 0 to 100 to facilitate the aggregation and comparison of data.

3. Economic vulnerability index

45. The economic vulnerability index measures the structural vulnerability of countries to economic shocks, in particular trade, and to environmental shocks. It is a structured index, consisting of two main sub-indices. One reflects exposure to shocks; the other measures the impact of such shocks. The current structure and composition of economic vulnerability index is indicated below (see figure II), with numbers in brackets denoting the weight of components in the overall economic vulnerability index.

Figure II
Composition of the economic vulnerability index


Economic vulnerability index
Exposure index (1/2)
Shock index (1/2)
Size subindex (1/8)
Population (1/8)
Location subindex (1/8)
Remoteness (1/8)
Economic structure subindex (1/8)
Merchandise export concentration (1/16)
Share of agriculture, hunting, forestry and fishing (1/16)
Environment subindex (1/8)
Share of population in low elevated coastal zones (1/8)
Trade shock subindex (1/4)
Instability of exports of goods and services (1/4)
Natural shock subindex (1/4)
Victims of natural disasters (1/8)
Instability of agricultural production (1/8)

46. As with the human assets index, indicator values are converted into indices ranging from 0 to 100.

4. Thresholds

47. **Income criterion**. The inclusion threshold for the income criterion is set at the 2014–2016 average of the low-income threshold established by the World Bank, which is $1,025. The income graduation threshold is set at 20 per cent above the inclusion threshold, that is, $1,230. The "income-only" graduation threshold is twice the graduation threshold, that is, $2,460.

48. **Human assets index and economic vulnerability index**. In 2014, the Committee decided to fix the thresholds for the human assets index and the economic vulnerability index permanently at their 2012 levels, with adjustments being made for changes in indicators, methodologies or data sources when necessary. For the 2018 triennial review, no adjustments were necessary. Consequently, the inclusion threshold for the human assets index was established at 60, while the threshold for graduation was 66. Similarly, the thresholds for the economic vulnerability index were 36 for inclusion and 32 for graduation.

5. Criteria in the triennial review

49. Table 1 shows the criteria values of least developed countries in the 2018 triennial review. Data for all States Members of the United Nations in developing regions are available from the Committee website (https://www.un.org/development/desa/dpad/least-developed-country-category/ldc-data-retrieval.html).

Table 1
Criteria for determining eligibility for inclusion on and graduation from the list of least developed countries

GNI per capita, 2014–2016 average (United States dollars)		*Human assets index (HAI)*		*Economic vulnerability index (EVI)*	
Somalia	95	Somalia	16.7	Kiribati	73.7
Burundi	261	Central African Republic	17.4	Gambia	72.2
Malawi	331	Chad	22.1	Timor-Leste	56.8
Central African Republic	370	South Sudan	25.8	Tuvalu	56.0
Niger	393	Sierra Leone	27.4	South Sudan	55.6
Liberia	431	Niger	35.4	Eritrea	54.7
Gambia	449	Liberia	37.2	Liberia	53.2
Dem. Rep. of the Congo	481	Burundi	38.5	Chad	52.4
Madagascar	486	Guinea	39.5	Guinea-Bissau	52.4
Togo	555	Guinea-Bissau	41.7	Comoros	52.4
Mozambique	564	Dem. Rep. of the Congo	41.9	Solomon Islands	51.9
Sierra Leone	582	Eritrea	42.9	Sierra Leone	51.6
Guinea-Bissau	595	Burkina Faso	42.9	Sudan	49.2
Afghanistan	633	Mali	43.1	Malawi	47.1
Burkina Faso	643	Ethiopia	45.3	Vanuatu	47.0
Ethiopia	644	Mozambique	45.8	Burundi	44.5
Uganda	661	Mauritania	46.9	Lesotho	42.0
Guinea	678	Haiti	48.0	São Tomé and Principe	41.2
Rwanda	707	Afghanistan	48.4	Zambia	40.5
Nepal	745	Comoros	49.4	Mauritania	39.9
Mali	801	Benin	49.8	Afghanistan	39.3
Haiti	814	Uganda	50.2	Yemen	38.6
Eritrea	862	Gambia	51.8	Burkina Faso	38.2
Benin	882	Angola	52.5	Madagascar	37.8
United Rep. of Tanzania	902	Malawi	52.5	Mali	36.8
Chad	921	Sudan	53.0	Angola	36.8
Yemen	954	Madagascar	54.5	Mozambique	36.7
Senegal	1 004	Rwanda	55.0	Rwanda	36.4
Cambodia	1 075	United Rep. of Tanzania	56.0	Djibouti	36.3
Mauritania[a]	1 230	Senegal	57.1	Bhutan	36.3
Myanmar	1 255	Djibouti	58.0	Niger	35.3
Bangladesh	1 274	Zambia	58.6	Cambodia	34.8
Lesotho	1 296	Yemen	59.2	Somalia	34.7
South Sudan	1 303	Lesotho	61.6	Benin	34.3
Sudan	1 452	Togo	61.8	Lao People's Dem. Rep.	33.7
Zambia	1 561	Timor-Leste	66.6	Central African Republic	33.6
Comoros	1 595	Myanmar	68.5	Senegal	33.4
São Tomé and Principe	1 684	Cambodia	68.9	Ethiopia	32.1
Solomon Islands	1 763	Nepal	71.2	Myanmar	31.7
Djibouti	1 894	Lao People's Dem. Rep.	72.8	Uganda	31.7
Lao People's Dem. Rep.	1 996	Bhutan	72.9	Haiti	30.6
Bhutan	2 401	Bangladesh	73.2	Guinea	30.2
Timor-Leste	2 656	Solomon Islands	74.8	Nepal	28.4
Kiribati	2 986	Vanuatu	78.5	Togo	28.3
Vanuatu	3 014	Kiribati	84.0	United Rep. of Tanzania	27.9
Angola	4 477	São Tomé and Principe	86.0	Dem. Rep. of the Congo	27.2
Tuvalu	5 388	Tuvalu	90.1	Bangladesh	25.2

(Footnotes on following page)

(Footnotes to table 1)

Notes: Thresholds for graduation: $1,230 (income; $2,460 for income only); 66 (HAI); 32 (EVI). Thresholds for inclusion: $1,025 (income); 60 (HAI); 36 (EVI).

Symbols:

——— Inclusion threshold

– – – – – – Graduation threshold

– – – – – – Graduation threshold (income only)

[a] Mauritania's per capita GNI is $1,229.63 and therefore below the graduation threshold of $1,230.

C. Eligibility for inclusion and graduation

1. Countries considered for inclusion

50. Zimbabwe continued to meet all three criteria for inclusion on the list of least developed countries for the fifth consecutive time. After being informed of this finding, the country confirmed its long-standing position that it does not wish to be included in the list of least developed countries. The Committee took note of this position.

2. Countries considered for graduation

51. Bhutan, Kiribati, Nepal, São Tomé and Príncipe, Solomon Islands and Timor-Leste were found eligible for graduation in 2015. The Committee reviewed the report of the expert group and the ex-ante impact assessments prepared by the Department of Economic and Social Affairs, the vulnerability profiles prepared by UNCTAD and written statements prepared by the countries under consideration.

Bhutan

52. Bhutan meets the income and human assets index criteria for the second time, with significantly increased margins as compared to 2015, almost reaching the income-only threshold. Despite some progress, the country continued to fail to meet the economic vulnerability index criterion, as it has low economic diversification and is highly vulnerable to a range of natural shocks, including natural disasters and climate change.

53. The Committee recommends Bhutan for graduation from the least developed country category, noting the country's impressive progress. It finds reasonable the request of the Government that graduation be effective upon the conclusion of the twelfth national development plan, 2018–2023, which will serve as the country's development plan for the transition to non-least developed country status. The Committee urges the development and trading partners of Bhutan to provide the country with the necessary external support for graduation.

Kiribati

54. Kiribati meets both the income and human assets index criteria for the third consecutive time, and now surpasses the income-only threshold. The country's sustained and relatively high income distinguishes it from most other least developed countries. While its main income source, revenue from international fishing licences, is highly volatile, it is independent of least developed country status. At the same time, Kiribati continues to be the world's most vulnerable least developed country on the basis of its economic vulnerability index score. Kiribati faces extreme

vulnerability to climate change as well as severe impediments caused by its small size, remoteness and fragmentation. While external support is critical for Kiribati, least developed country-specific support measures are not adequately addressing the challenges faced.

55. The Committee recommends Kiribati for graduation from the least developed country category, as it no longer fulfils the characteristics of a least developed country. Graduation must not be seen as a signal that Kiribati no longer needs special treatment. In the view of the Committee, international support to Kiribati and other countries in similar situations needs to better address the specific challenges of these environmentally vulnerable countries. Therefore, the Committee further recommends the creation of a category of countries facing extreme vulnerability to climate change and other environmental shocks that entitles them to receive support specifically targeting those vulnerabilities.

56. The Committee stands ready to assist in the development of suitable criteria for identifying countries to be placed in such a category. The Committee can also assist in the analysis and design of the possible associated support mechanisms, including their relationship to existing measures, their differentiation according to the nature and severity of the vulnerabilities and the possibility of differentiating modalities according to appropriate indicators of development progress. An example of such a support mechanism could be environmental disaster insurance for States not already adequately and effectively covered by such schemes. The Committee may take the relevant implications of such a category into account during its multi-year comprehensive review of the least developed country identification criteria[5] and its work on improved assistance to graduating least developed countries.[6]

Nepal

57. Nepal meets the human assets index and economic vulnerability index criteria for the second consecutive time. However, despite some progress the GNI per capita of Nepal remains below the graduation threshold. Its economic vulnerability index score worsened as a result of the devastating earthquake in 2015, reflecting the high vulnerability of the country to natural disasters.

58. The Committee defers a decision on Nepal to the 2021 triennial review, when it will again assess the sustainability of the country's development progress and graduation readiness. The Committee will pay particular attention to the volatility of remittances, which have been critical for providing resources for improving human assets. It will also monitor possible long-lasting impacts of the 2015 earthquake. The deferment will provide additional time for Nepal to prepare for a possible graduation in the light of the wide-ranging constitutional and political transition in the country.

São Tomé and Príncipe

59. São Tomé and Príncipe meets the graduation criteria for the second consecutive time, having further improved its GNI per capita and human assets index score. Its economic vulnerability index score remains elevated, driven by its small size and challenges to economic diversification.

60. The Committee recommends that São Tomé and Príncipe graduate from the list of least developed countries. It notes the request by the Government for a preparatory period of six years, which would enable the country to enact necessary internal reforms and align its transition strategy to its national development plan. The Committee notes that the country would benefit from utilizing an extended

[5] See E/2017/33, chapter IV.

[6] See chapter V of the present report.

preparatory period only if it embarks this year on the transition process and engages its trading and development partners and the United Nations system in this regard.

Solomon Islands

61. Solomon Islands meets the graduation criteria for the second consecutive time, having further improved its GNI per capita and human assets index score. Its economic vulnerability index score remains elevated, driven by its high exposure to natural disasters, its remoteness and its reliance on the logging industry for exports.

62. The Committee recommends that Solomon Islands graduate from the list of least developed countries. In the formulation of its smooth transition strategy, the country may work towards continued improvements to its human assets and address the sustainability of its major export sector. The positive attitude of the country towards graduation should be the foundation of a successful transition towards non-least developed country status, but effective, smooth transition support by the development and trading partners will be essential. This includes support to mitigate negative impacts on fish processing and manage changes in the country's commitments under World Trade Organization agreements.

Timor-Leste

63. Timor-Leste continues to meet the income-only graduation threshold. For the first time, Timor-Leste meets the human assets index criterion, albeit marginally. Its economic vulnerability index score remains very high owing to its dependence on oil and gas exports. However, in recent years its income has significantly decreased, reflecting the decline in oil prices and the depletion of the country's major oil and gas fields. While a long-standing maritime border dispute has been resolved, conclusions regarding the economic impacts are not yet possible. Consequently, the Committee finds that the income of Timor-Leste is not sustainably above the income-only threshold.

64. The Committee deferred its decision on a recommendation to the 2021 triennial review, when it will review the sustainability of Timor-Leste's development progress, focusing on the prospects of the oil and gas industry as well as on the prospects for economic diversification and further improvements in human assets.

3. Other countries

65. Three countries meet the graduation eligibility criteria for the first time: Bangladesh and Myanmar meet all three criteria; the Lao People's Democratic Republic meets both GNI and human assets index criteria. The countries were duly notified of that finding and will be considered for graduation at the next triennial review in 2021. The Committee welcomes the progress of all three countries in all three criteria, which could indicate a balanced and sustainable graduation path. It emphasizes the importance of the inclusion of all minority groups living in Myanmar in the data used for the least developed country criteria. As graduation might have a significant impact on the countries' exports of labour-intensive manufacturing, the Committee encourages efforts by these countries and its development and trading partners to start planning for possible graduation. In this context, the Committee requests the Department of Economic and Social Affairs to start work on the impact assessment of the countries as early as possible.

66. Tuvalu was recommended by the Committee for graduation in 2012. The Council, however, has postponed the consideration of this recommendation three times in its resolutions 2012/32, 2013/20 and 2015/11, and is scheduled to address the issue again in 2018. The Committee notes that Tuvalu has the highest per capita

income and the highest human assets index score of all least developed countries and restates, therefore, its recommendation for graduation.

67. As in the case of Kiribati, least developed country status and its associated support measures do not effectively address the special vulnerability of Tuvalu to climate change and other environmental shocks. Consequently, the Committee recommends that Tuvalu be placed in the category of extremely vulnerable countries to be accorded specific support (see para. 55).

Chapter IV
Monitoring the development progress of graduating and graduated countries

A. Introduction

68. The Committee is mandated by Council resolution 2017/29 to monitor the development progress of countries graduating and graduated from the least developed country category, in accordance with General Assembly resolution 67/221. The present report includes the cases of Angola and Vanuatu, which will graduate in 2021 and 2020, respectively, and Equatorial Guinea, Maldives and Samoa, which graduated in 2017, 2011 and 2014, respectively.

69. The more detailed monitoring reports, including country submissions, are available on the Committee website.

B. Graduating countries

Angola

70. The Committee noted that Angola is highly dependent on the oil sector and that its economic growth is affected by low international oil prices and reduced oil production. Real gross domestic product growth has been slow or negative over the past few years and is expected to be slow in the next two years. High inflation, unstable exchange rates, and current account and fiscal deficits present challenges to maintaining macroeconomic stability.

71. Gross national income per capita is estimated at almost four times higher than the graduation threshold established at the 2018 triennial review ($1,230). While the human assets index score has improved, it is still low compared with similar-income countries. The economic vulnerability index score remains above the graduation threshold (see table 2).

72. Angola is currently implementing political changes. The Government has not yet reported progress in the preparation of a smooth transition strategy. The Committee recommends that the Government develop its smooth transition strategy as soon as possible, and that donors and trading partners extend the maximum possible flexibility and support following graduation.

Table 2
Least developed country criteria in 2018: monitored countries that are graduating or have graduated

	GNI per capita (United States dollars)	*Economic vulnerability index*	*Human assets index*
Graduation threshold (2018 review)	≥ 1 230	≤ 32.0	≥ 66.0
Angola	4 477	36.8	52.5
Equatorial Guinea	9 665	27.8	58.4
Maldives	9 200	50.9	89.3
Samoa	4 124	39.7	94.1
Vanuatu	3 014	47.0	78.5

Source: Committee for Development Policy secretariat; based on latest available data.

Vanuatu

73. Recovering from the adverse impact of Cyclone Pam, which struck the country in 2015 and also led to the postponement of graduation until 2020, per capita GDP growth has been stabilized around 4 per cent per annum. GNI per capita is expected to remain well above the income graduation threshold (see table 2).

74. The human assets index score is stable, and much higher than the graduation threshold. The country remains highly vulnerable.

75. In 2016 the Government reported that it was in the process of establishing its national least developed country coordinating committee, comprising various relevant stakeholders to prepare a smooth transition strategy. No progress report has been submitted. The Committee recommended that donors and trading partners extend the maximum possible flexibility and support to Vanuatu following its graduation.

C. Graduated countries

Equatorial Guinea

76. Equatorial Guinea, which graduated in June 2017, is the third largest oil producer in sub-Saharan Africa, after Nigeria and Angola, and continues to face serious challenges, owing to low oil prices, a decline in oil production and limited investment in exploring new oil fields. While GNI per capita remains far above the graduation threshold (see table 2), it is 27 per cent lower than recorded last year and the economy is projected to contract by 4–6 per cent annually in 2018–2019.

77. There is only small progress in improving human assets since last year, while vulnerability remains below the graduation threshold.

78. After the graduation became effective, Equatorial Guinea expressed interest in possible postponement of graduation. The Committee is concerned on the limited awareness within the country on graduation from least developed country status and urges it to implement development strategies to channel its resources to improving human assets and promoting economic diversification.

Maldives

79. Maldives graduated in 2011. The Committee noted the continued development progress of the country: its GNI per capita was 7.5 times higher than the income graduation threshold, and the human assets index score reached almost 90. The economic vulnerability index score, however, has not improved, indicating that the country remained highly vulnerable to environmental and external economic factors (see table 2).

80. The Committee found that graduation had not caused significant disruption to the development path of the Maldives. The termination of trade preferences extended to Maldives by its major trading partners after graduation had no major effects on expanding exports of fish, and development assistance flows have not been significantly reduced following graduation.

Samoa

81. Samoa has continued to make progress since its graduation in 2014, although economic growth is projected to slow down in 2018–2019. GNI per capita is estimated to remain over three times higher than the graduation threshold (see table 2).

82. Samoa continues to maintain very high levels of human assets, but it remains vulnerable to economic and environmental shocks.

83. The Committee welcomes the effort made by the Government of Samoa, which continued to engage with its trading and development partners to minimize the possible negative impacts of graduation. According to the Government, Samoa managed to achieve continued progress since graduation, despite the challenges it still faces as a developing country. Samoa expressed its gratitude to the United Nations and the international community for the support and assistance it received while it was categorized as a least developed country.

Chapter V

Towards improved assistance for graduating least developed countries

84. The Committee emphasized that many least developed countries are concerned about the prospect of graduation and losing international support measures, and agreed that it is important to incentivize countries who qualify to graduate from the category. The Committee also found that while the graduation trajectory is based upon the assumption that progress is continuing upward, the least developed countries are still facing development constraints and often continue to experience external shocks.

85. In that context, the Committee recommended that the success of these countries, in terms of progress against the least developed country criteria, should be rewarded. It noted that measures put in place by the international community are at best smooth transition measures rather than appropriate incentives designed for countries that are no longer going to be least developed countries. Hence there is an opportunity to identify an incentives package for graduating and recently graduated countries to send a signal that graduation is a positive moment in their development process and show with concrete incentives that the international community stands ready to support countries in transitioning to the next level of development and towards achieving the Sustainable Development Goals.

86. The Committee noted that (a) incentives for graduation should be distinct from smooth transition measures, in that they are not related to least developed country-specific support received as a least developed country; (b) they should include measures to further assist the countries that reach the graduation criteria as well as graduating and graduated countries, to provide additional support; and (c) any incentives package should focus on production transformation and be demand driven and country specific.

87. Among the proposals for incentives discussed, the Committee expressed support for the idea of a pledging conference to be organized at the time of graduation. It was recommended to carefully plan such events and include international organizations as well as targeted bilateral donors, country-level organizations of the United Nations system, including the resident coordinator system, and the Development Cooperation Forum of the Economic and Social Council. The importance of facilitating private sector investments was also underscored.

88. In addition, the Committee endorsed the proposals to conduct early impact assessments, which should include research and analysis on incentives and production transformation measures for graduating countries, and to organize workshops with investment and credit-rating agencies.

89. In line with General Assembly resolution 67/221, the Committee reiterated the importance of developing a comprehensive smooth transition strategy by the graduating countries through a consultative process, and for the countries to participate in the related follow-up monitoring process.

90. The Committee noted the importance for graduating and graduated countries to have continued access to markets and access to finance. The United Nations system could assist graduating countries by cataloguing the available sources of concessional funding and supporting access to private capital and investment, and in strengthening local capital markets.

91. The Committee decided to establish a subgroup on incentives for graduating least developed countries to further discuss the preceding ideas and submit a proposal on elements of an incentives package at the next plenary session of the Committee.

The Committee noted that the package could also serve as an input into various intergovernmental processes, such as the new 10-year programme of action for least developed countries for the decade 2021–2030.

92. The Committee requested the inter-agency task force on graduation of least developed countries to keep the subgroup informed regarding any discussions and conclusions related to incentives for graduating least developed countries.

93. The Committee recalled that despite the cataloguing of all international support measures through its Support Measures Portal for Least Developed Countries, many countries preparing for graduation still face challenges in fully understanding the type of least developed country-specific support from which they benefit and the policy implications of the possible loss of such support after graduation. In that regard, the Committee welcomed Gradjet, an online platform developed by the secretariat of the Committee for graduating least developed countries, which was launched during the 2018 plenary. Gradjet is tailored to each graduating country and explains the expected procedures relating to least developed country graduation before, during and after leaving the category, with contacts, information and suggested activities at each stage.

94. The Committee recommended that the platform be used by Governments of graduating least developed countries as well as by such other stakeholders as organizations of the United Nations system and multilateral and bilateral partners, and that complementarities and partnerships with tools developed by other organizations should be sought. The Committee also recommended that all relevant partners contribute to the platform with appropriate information and analysis related to graduation.

Chapter VI
Voluntary national reviews of implementation of the 2030 Agenda for Sustainable Development

95. Voluntary national reviews, presented annually at the high-level political forum on sustainable development, are a key element of the follow-up and review of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals. Through the voluntary national reviews, countries provide information on national approaches to implementation of the 2030 Agenda. The aim of the reviews is to enable the sharing of experiences with a view to accelerating the implementation of the 2030 Agenda. There has been widespread interest in the reviews, with more than 43 countries having presented their reports in 2017 and 47 scheduled to do so in 2018.

96. The voluntary national reviews follow a flexible approach, in line with their voluntary nature and the diversity of the States Members of the United Nations. This allows Governments, which are encouraged to prepare the reviews in consultation with all stakeholders, to choose a process and format that best fits their situation and national circumstances. Despite limits to the comparability of the voluntary national reviews caused by the variety of formats used, analysing the information contained in the many reviews can yield important messages about the overall approaches to implementation of the 2030 Agenda, and reveal lessons learned and best practices that can both be of use to other countries and induce a process of healthy competition among countries.

97. In 2017, the Committee decided to initiate research on and analysis of the voluntary national reviews. The Committee analysis of the reviews complements the annual synthesis report provided by the Secretariat and the assessments by other organizations, examining how the voluntary national reviews address key principles and cross-cutting issues, based on the diverse expertise of the Committee. The analysis aims at encouraging Governments to address critical challenges in promoting the necessary ambitious and transformative agenda. The work of the Committee is neither an analysis of national implementation of the 2030 Agenda nor a judgment of the voluntary national reviews, but an objective analysis of how they have approached selected cross-cutting issues and principles.

98. The pilot analyses of all 43 voluntary national reviews presented to the high-level political forum in 2017 covered, in particular, the key thematic challenges of leaving no one behind (see chapter II) and addressing policy trade-offs through policy integration.

99. The analysis of leaving no one behind focused on reported policies and strategies aimed at implementing the principle with regard to individuals and population subgroups. The Committee found, in its analysis, that while almost all countries recognized this key principle, only 14 referred to specific comprehensive strategies implementing it. At the same time, many countries reported on strategies and policies in key areas associated with leaving no one behind. However, as set out in chapter II of present report, an effective implementation of the principle typically requires macroeconomic policies conducive to equitable growth, sectoral policies that expand productive capacities and universal social programmes in addition to targeted policies. Hence, voluntary national reviews that utilize a broad conceptualization of leaving no one behind may be particularly valuable for sharing best practices.

100. Most voluntary national reviews in 2017 provided few details on how and why strategies related to leaving no one behind were working. Hence, for the reviews to become an effective mechanism for sharing lessons learned, countries assigning high priority to this principle should include a more comprehensive discussion on their

policy choices. Information on policies that proved to be ineffective and on difficulties in translating the principle into concrete strategies and polices would also be helpful. The Committee also noted that in the voluntary national reviews addressing the groups most at risk of being left behind, most countries emphasized women, people with disabilities and children, while relatively few gave special consideration to ethnic or religious minorities or the poorest of the poor. More information in the reviews on the ways in which the most marginalized and vulnerable groups are addressed would be beneficial.

101. An essential characteristic of the 2030 Agenda is its integrated nature, which demands that policy choices be considered on the basis of their multidimensional implications. It therefore requires policymakers not to only to identify and harness synergies between policy objectives, but also to address trade-offs, where measures directed at one objective can have negative impacts for other objectives, different groups of people, other countries or future generations. While almost all countries mentioned in their voluntary national reviews that they had frameworks in place (such as strategic planning or institutional coordination mechanisms) that allowed for setting policies in an integrated manner, only eight countries referred to specific mechanisms that enabled the identification and resolution of trade-offs. Less than half of the reviews explicitly mentioned trade-offs and, in most cases, the references were very general. Only nine countries reported on specific trade-offs faced and how they had been addressed. Given the importance of addressing trade-offs for achieving progress towards sustainable development and the inherent difficulties in finding solutions for them, more attention in the voluntary national reviews to describing concrete trade-offs and policy mechanisms for addressing them could significantly increase the value of the reviews for sharing experiences that accelerate the implementation of the 2030 Agenda.

Chapter VII
Future work of the Committee for Development Policy

102. The Committee will continue to align its work programme to the needs and priorities established by the Council, with a view to contributing effectively to the deliberations of the Council and assisting it in the performance of its functions.

103. The Committee will address the main theme for the 2019 session of the Economic and Social Council, "One world for all: empowering people to build equal and inclusive societies" and the theme of the high-level political forum, "Empowering people and ensuring inclusiveness and equality", within the framework of the Committee's multi-year work programme on "Leaving no one behind". In parallel with its work on those themes, the Committee will also continue its research and analysis concerning improved assistance for graduating and graduated least developed countries, as well as the voluntary national reviews as a key feature of discussions related to the Sustainable Development Goals.

104. The Committee will continue its work on the comprehensive review of the least developed countries criteria, as outlined in its 2017 report to the Economic and Social Council (E/2017/33).

105. In accordance with the provisions of Economic and Social Council resolution 2017/29, the Committee will undertake the necessary preparations to brief the Council on how the United Nations development system is applying the least developed country category.

106. In accordance with the provisions of Economic and Social Council resolution 2013/20 and General Assembly resolution 67/221, the Committee will also monitor the development progress of the following countries graduating and graduated from the least developed country category: Angola, Equatorial Guinea and Vanuatu.

Chapter VIII
Organization of the session

107. The Committee held its twentieth session at United Nations Headquarters from 12 to 16 March 2018. Nineteen members of the Committee (including one via video link), as well as observers from several organizations within the United Nations system, attended the session. The list of participants is contained in annex I to the present report.

108. The Department of Economic and Social Affairs of the United Nations Secretariat provided substantive services for the session. The Chair of the Committee opened the session and welcomed the participants. Subsequently, the President of the Council and the Under-Secretary-General of the Department of Economic and Social Affairs addressed the Committee. Statements are available at https://www.un.org/development/desa/dpad/publication/cdp-plenary-2018/.

109. The agenda for the twentieth session is available in annex II to the present report.

Annex I

List of participants

1. The following members of the Committee attended the session:

José Antonio Alonso

Giovanni Andrea Cornia

Le Dang Doanh

Diane Elson

Marc Fleurbaey

Sakiko Fukuda-Parr (Vice-Chair)

Rashid Hassan

Stephan Klasen (by video)

Keun Lee

Vitalii A. Meliantsev

Leticia Merino

Adil Najam

Léonce Ndikumana

Keith Nurse (Rapporteur)

José Antonio Ocampo Gaviria (Chair)

Tea Petrin

Onalenna Selolwane

Dzodzi Tsikata

Juree Vichit-Vadakan

2. The following entities of the United Nations system and other international organizations were represented at the session:

Commonwealth Secretariat

Economic Commission for Africa

Regional Commissions New York Office

Organization for Economic Cooperation and Development

United Nations Capital Development Fund

United Nations Conference on Trade and Development

United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

United Nations Women

World Intellectual Property Organization

World Trade Organization

Annex II

Agenda

1. Opening of the session.
2. Inaugural session.
3. Role of the Committee for Development Policy in the context of the Sustainable Development Goals and the 2030 Agenda.
4. Voluntary national reviews.
5. Monitoring of graduating and graduated countries.
6. Triennial review of the list of the least developed countries.
7. Reviewing draft reports of the Secretary-General on supporting sustainable and resilient societies, and on leveraging frontier technologies.
8. Leaving no one behind.
9. Towards improved assistance for graduating least developed countries.
10. Defining the work programme for the Committee for Development Policy for the period 2018–2019.
11. Committee for Development Policy inputs to intergovernmental processes.
12. Adoption of the report of the Committee for Development Policy on its twentieth session.

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